Application of Regulation (EC) No 2004/2003 on the regulations governing political parties at European level and the rules regarding their funding

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The Committee on Constitutional Affairs adopted the report drafted by Marietta GIANNAKOU (EPP, EL) on the application of Regulation (EC) No 2004/2003 on the regulations governing political parties at European level and the rules regarding their funding.

The committee recalls that the Treaty on European Union states that ‘political parties at European level contribute to forming European political awareness and to expressing the will of citizens of the Union’. The Treaty of Lisbon provides for this role of the political parties and their foundations with a view to creating a European polis, a political space at EU level, and a European democracy. However, European political parties, as they stand, are not in a position to play this role to the full because they are merely umbrella organisations for national parties and not directly in touch with the electorate in the Member States.

In this context, Members point out that political parties have rights, obligations and responsibilities and should therefore follow **converging general organisational patterns**. They are convinced that **authentic legal status for the European political parties** and a legal personality of their own, based directly on the law of the European Union, will enable the European political parties and their political foundations to act as representative agents of the European public interest. The European political parties should interact and compete on matters relating to common European challenges and the European Union and its development at three levels: regionally, nationally and at European level.

The Parliament should therefore, request the Commission to propose a draft statute for European political parties in accordance with Article 225 of the Treaty on the Functioning of the European Union.

Members point out that the award of **funding** and the closure of the accounts of the European political parties and foundations are bureaucratic and cumbersome procedures. They consider that this stems to a great extent from the fact that funding payments are regarded as ‘grants’ within the meaning of the Financial Regulation, which is appropriate for the funding of projects or associations, but not for parties.

In addition, the committee presents a series of **additional reform proposals**:

- the Commission should propose the creation of a new title in the Financial Regulation devoted solely and tailored specifically to the funding of European parties and foundations;
- self-financing of parties and foundations should be encouraged by raising the present limit of EUR 12 000 per year for donations to EUR 25 000 per year/per donor, combined, however, with a requirement to disclose the donor’s identity at the time of receipt;
- as an exception to the implementing rules for the Financial Regulation, for the funding to be made available at the beginning of the financial year at 100 %, not 80 %;
- the independent resources that the European political parties are required to demonstrate could be reduced to 10 % of their total budget, in order to further enhance their development; their own resources in the form of physical resources should not exceed 7.5% of their total budget;

- in the case of European political foundations the revision of the legal instrument should be taken as an opportunity to abolish the requirement to demonstrate that they have resources of their own;in the context of this revision the limitation imposed on European political foundations requiring them to use their funds within the European Union should be removed;
- relaxing the funding regime would have to be counterbalanced by providing for sanctions in the Funding Regulation where they are currently lacking.

Lastly, Members note that European political parties should have the right to participate in referendum campaigns as long as the subject of the referendum has a direct link with issues concerning the European Union.